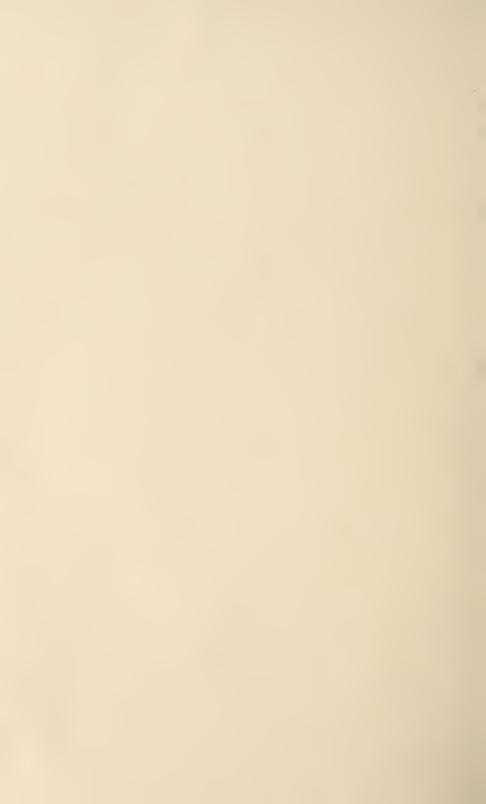
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Department of Agriculture

Office of Governmental and Public Affairs

Speeches and Major Press Releases

December 12-December 19, 1980



Speeches

U.S. Department of Agriculture • Office of Governmental and Public Affairs

Transcript of remarks by Secretary Bob Bergland National Farm Organization Convention Cincinnati, Ohio December 4, 1980

Officers, delegates, fellow members, guests, friends all. It is an honor for me to be invited to this convention, one of the most important agricultural events each year in these United States.

I'm here this morning primarily to discuss with you the role not of agriculture in this world, because I think that has been well established, but rather the role of institutions in strengthening the structure of agriculture in the United States as these changes come about. I also want to thank you and your leaders for the constructive help which you have given me and my colleagues during these past four years. There have been times when we have disagreed, as it should be. In an open and free society it is necessary that people take time out from their routine to take stock and think, and organize and represent themselves and their views in the halls of the Congress of the United States and the Department of Agriculture and most importantly at the market place.

And during these past four years that we have gone through turbulent times, this world is getting smaller as airplanes go faster. It's an imperfect world, an unruly place, a world that is ridden sometimes by persons like the Ayatollah Khomeini--persons that we don't understand. Persons we don't even know, who go to a different church, who dress differently, who don't speak our language, different values, different culture--persons like the Ayatollah Khomeini come and go. But they have today a profound impact upon the United States, upon you and me, individually and as an organization. And so we have gone through fours years of difficulty. The Soviet invasion of Afghanistan brought an embargo that created a great deal of uncertainty and anxiety.

But all during these times, you and through your chosen officials at the state and national level, have constantly represented a solid, substantial, continuing, source of strength and support for this country. Of course you have been critical at times, as it should be, but always fair, to be counted on, even when the going gets rough. We can depend on you to have the courage of your convictions and the capacity to think clearly. Your leaders have the skills to represent those viewpoints even in difficult times.

We're in the transitional phase of transferring power from one administration to the next. Nobody takes shots. No one is going to jail. And I just met yesterday with some officials from China, discussing the future of our two countries and our agricultural trade and they marveled at how we in the United States could contest the election as bitterly as this one was fought out. Through this process we choose our leaders, but once the election is over we can unite, because we are above all else Americans first.

And, as we read the headlines and watch the national news and see the unrest in places like Poland, it should serve to reinforce the conviction that we sometimes take for granted: mainly that the freedom to criticize the federal government, the freedom to organize, the freedom to bargain collectively, is the freedom that has been taken for granted but must be protected at almost any cost. And there are some persons who think they're responsible for the outcome of this election who would destroy those freedoms if they get their way. Be on guard.

But the government changes in a peaceful fashion, and we are having a reasonable transfer of power. I am not here today to discuss what the incoming administration, or the new Senate Republicans might do in the agricultural front, because it would be unfair of me: time will tell. But the transfer is going on in an orderly fashion. It should be, however, also a reminder that elections replace people like me--and Jimmy Carter and members of the Congress of the United States and governors and all. And those elections, therefore, will change policies, as policies have changed from time to time, reinforcing, therefore, the need for organizing in the private market sector--such as the creed of NFO.

You cannot depend on government to provide you with the kind of income you deserve. You've got to use the enormous economic and political power you have to advance your cause as an organized part of this free society. And you know how to do it. You let experience act. I've been a member since NFO organized in my county in the 1960's. And I know. I know how difficult it is. I know how complicated and

how discouraging it can be at times, but I also know this: it's the best hope. So keep at it.

And I also will be leaving in a couple of months but I am not going to get off the hook. I am going to be around--in some capacity. I don't know where, I don't know what--but you can be assured that I am going to maintain my keen interest in the affairs of agriculture and family farming and the whole matter of this tremendously important industry--farming and farm economics.

My wife is sick and tired of this necktie, I wear it all the time. It wore out. I wear it because I like it. I've got the same wife I had for 31 years. I wear this same pin-stripe suit, I've got the same Ford automobile. That's interesting--we don't change. Basic matters don't change because we tend to be creatures of habit. We get a certain sense of satisfaction from our habits, a certain sense of security, false though it may be. We tend, therefore, as individuals to resist those changes, to be unwilling to regard tommorrow as a new frontier. For some, the prospect of change is a frightening thing. Because we lived in yesterday we know what that was and so there are those timid souls in our society who would roll

back the clock, re-live our past or hold everything in place. Now that has appeal to it--the good old days. It's appealing. Well, it's not for Bergland, I can tell you. My wife and I were married in 1950 and were five years into our married life before we had running water and a house. There is something about Minnesota winters and outdoor plumbing that you will never forget. Those are the good old days that we can do without.

But the fact of the matter is that there is a resistance when you try something that is out of the ordinary. Tremendous pressures are applied to you as individuals, upon us as organizations, over these past 20 years because you have tried something different. And so the heat will stay on those who have the courage to try something more effective. And I commend you for having that courage and I know that you will continue.

I grew up on a farm on the Canadian line on the Dakota side of my state, Minnesota. In the 1930's mother and dad had eight cows, a hundred chickens, a turkey flock, a few sheep, a few horses and a garden that mother canned. We sold a little butter, traded a few eggs

and cream occasionally and once in a while a pig.

But mother and dad had, and I grew up on, a highly diversified, independent, subsistence family farm. There were eight million such farms in the 1930's. Mother and dad were independent. They didn't depend on the Ayatollah Khomeini, or on the Russians or on OPEC or on anybody else. They depended on God Almighty and the New Deal. They asked no quarter and gave none. They didn't spend much, had no expense--much. They didn't earn much. They had a hard life. That's true.

Farm programs were developed in the 1930's, to cope with that kind of highly independent subsistence farming. But along came World War II, following which we saw the development and application of high technology, hybrid corn, modern farm equipment and pesticides and fertilizers and machinery--and the character of our farm changed. As we introduced expensive technology, the first thing the folks decided was that they were going to get rid of the eight cows and did, because I was tired of cleaningthe barn by hand. Next thing went the chickens, then the turkeys, then the sheep. They got specialized, got more equipment, yields doubled and tripled.

And during the 1950's and 60's we saw the results of this high technology. With the exploding production of that period we had grain coming out of our ears--government bin sites all over the United States--acreage allotments and marketing quotas designed in almost every instance to reduce the size of the farming factory because there

was no place to store the grain. And so again farm programs had been

changed to accommodate the forces of that period.

But during that time we saw the family farm structure change substantially from a highly independent, diversified subsistence lifestyle like my mother and dad's, into a high power, rock'em-sock'em farming system that I was a part of when we started in 1950. Instead of having eight or nine separate sidelines on the farm, we had one or two specializations. Mother and dad spent full-time farming 320 acres of land. With high-powered technology and machinery, my wife and I farmed 1200 acres during the 1950's more easily than mother and dad farmed that half section. But in the process, our expenses went out of sight, machinery costs went out of sight, and then in the earlier part of the 1970's a couple of major events drove home some points that we

had never really looked at carefully enough.

In 1972, the Russians came into the markets of the United States and became the owners of the world's only reserve of grain. Prices tripled as they cashed in on an enormous windfall profit. Government didn't know how to cope with those circumstances. And so, out of blind frustration, government imposed embargoes, price controls on beef, and through a series of such activities, designed to try to curb the inflation generated by Soviet activity in the U.S. grain markets and by world-wide economic events.

In 1973 OPEC was formed. The price of oil went from \$4 to \$8 a barrel, and then they embargoed--stopped shipping oil to this country, and suddenly we saw how vulnerable we had become. We are no longer a contented island of self-sufficiency fed by 8 million highly independent family enterprises, but indeed we were now being impacted by countries abroad that could cut off our oil and bring us to our knees.

So during these past seven or eight years, we have once again changed our agricultural policies to accommodate the forces of change. This year exports will earn \$40 billion for the economy of the United States. A great deal has been said about the need for expanding exports. There can be little question about that, but it raises certain problems. And so as we go into 1981 and debate agricultural policy, it's time that we take a look back over our shoulders; take a look at what has happened to us so that we can sort these things out and decide on the appropriate federal role in our lives.

For as long as I can remember, during my six years in Congress, one of the most frustrating activities of my life was the lack of any consensus within the agriculture community on the proper role of government. On one hand, we had those people who said, "Get off my back and out of my pocket, I don't need government, leave me alone." On the other side we had persons that were demanding that government set price supports to 100 percent of parity, and take over the functioning of the market. We had NFO that said, "We need certain protections under the laws, but we should use our powers as free citizens to bargain collectively in a free society."

The result was confusion and chaos. There are 40 members of the Congress of the United States in the House of Representatives who

come from farming districts, who know what collective bargaining means. But there are 395 who do not come from farming districts, that haven't the foggiest notion of what farming is about. They think that milk comes from cartons. And they have the majority of power in the House of Representatives, and so they become confused.

To try to see if we could get to the bottom of all this, a year ago we launched what we described as the structure study, to find out, in fact, what is going on out here--what about the family farm--is it an institution in jeopardy? Does the family farm have any value, or is that an old-fashioned notion that went with horses and became obsolete? And so we are now concluding those structure studies, the results of which will be published in January and will be in the public domain for you, your leaders, your colleagues, and our countrymen to digest and argue over as the farm bill is developed in Congress in 1981 and beyond.

The structure study shows some very interesting and important facts. Six percent of the farms of the United States, that's 162,000 farms, produce 52 percent of the total value of food and fiber production in this country. Six percent produce half of everything grown and sold in the marketplace. That same six percent, 162,000 farms, also controls more than 25 percent of the agricultural assets, an they have an average net worth of nearly a million dollars per farm. When their off-farm income of about \$11,000 apiece is counted, that group of 162,000 farms has an average family income before taxes of more than \$63,000 per year.

At the other end of the scale, are about 35 percent of the farms, each with gross sales of less than \$2,500 a year. Those farms are mucl too small to keep a family busy. But those farms have little debt and have an average off-farm income of \$17,000 a year, putting those sma farm couples right around the national average per capita income for two persons in these United States.

Then we have those in the middle--the 800,000. We look at those the middle, those who sell between \$10,000 and \$40,000 of products; year, and we see the real squeeze. Government programs provide the less income, tax policy discriminates against them compared to large-scale farms, they have less net family income, they have higher debt. and they have no chance of getting an off-farm job. And so the squee

is on.

The studies show other matters which come as no surprise: that there's poverty found in the United States on farms of all sizes, big and small; that there are persons in this country who are either a slave to the machinery company or land poor; that there are young families who started in the early 1970's, and ran into a drought--or two--or three--as has happened in many of the southern states and other places with financial problems, that are disastrous. The studies show that the great overwhelming preponderance of federal price support benefits and tax subsidies flows to the largest 162,000 farms. The small average family farm in the United States cannot compete against those kinds of enormous tax subsidies.

And so the questions we have to ask are, first of all, does the family farm as an institution of this country have any value? Is there anything useful to the old Jeffersonian principle that land should be widely held and widely dispersed? There are those who argue that land should go to that group which can pay the most money, and that concentration of land in itself is an end to more efficient agriculture-- a theory which our structures study shows will be demolished. The study shows that if we ended the tax subsidies that now flow to speculators in farm land, there is no way they can stay in business and in competition with the hard working family farm.

We are looking at matters which you and I mostly take for granted. Farm land values have tripled in the last ten years, driven by factors that have nothing to do with farming. Almost everyday, a young family comes into the office of FHA and says to our representative they want a loan to buy the place on which they live--usually as tenants, settling an estate, or whatever. Neighbors put a price on the land for at least twice of what it's worth. And so the question that we have to wrestle with in our FHA is: do we make that young family a loan that they can't possibly pay off from earnings, or do we turn them down?

We have been making those loans on those highly inflated farm values and today we have more than \$30 billion in FHA credits out there--all-time record high. I am not particularly proud of that fact. But the alternative would have been to turn down those applicants and say no, we are not going to attempt to finance this farm. And that, in my view, would have been a worse choice.

We do need to get to the absolute causes of what drives up farm land values. Is it a good thing to have land inflation at double the national rate of inflation? Is it a good thing to have a policy that will in the next ten years drive Illinois farm land to \$15,000 an acre? That's where it's heading. What does that mean? We need to think carefully about that. And farm land values are driven by factors which have nothing to do with farming--speculations mostly, public trust accounts, pension funds, persons with big incomes looking for a tax shelter. There is a long list of reasons why people buy farm land that has nothing to do with the rate of return. And the problem is that family farms, especially those who are getting started, have no chance in competing against someone who is looking for a shelter for his or her million dollar income.

And so it's time we think carefully about tax policy in the United States. That's a tough thing to discuss because some of us get some of those benefits. We have to ask ourselves: would you and I be willing to give up the capital gains tax treatment on a limited amount of land, if it meant that we could slow down the rate of speculation in farm land? Would you and I be willing to put some limits on the investment credit for farm equipment, if it meant that we could reduce the rate of inflation by 50 percent in farm machinery? Are we willing to pay those tough trade-offs? It's the kind of question that you and I should ask ourselves because that's where the action is, my friends--it's in tax policy. And so we need to and we will publish our findings. And there will be a big explosion when these reports hit the streets because we're going to be getting into some areas that are critically sensitive to persons who have enjoyed an enormous federal subsidy and had it all masked by the dignity of the tax code.

I have no hope that we can change tax laws in 1981--not with the incoming new administration that is not experienced. No new administration is experienced, I do not mean to discredit Mr. Reagan. I was not experienced in my job when I came to it four years ago. But tax policy will have to be debated and over the next several years I hope we can bring the Congress to the job of examining carefully and critically some of the fundamental patterns in land ownership in these United States.

Look carefully at the marketing structure on a global scale. How do we deal with the Russians? The problem is that government is not sophisticated enough for these challenging times in which we live. We tend to want to put on a patch--we say, "Let's put on another patch and maybe the problem will go away." Well, my friends, that won't work. We have to get back to basics, back to fundamentals.

And so, during these next few years, there is an ever greater need for progressive thought. There is an ever greater need for free organizations to represent themselves. There is even a far greater need for thoughtful study by persons in and out of government about what government should do in trade policies. What can you do with the Russians? Should we let them invade Poland and still sell them grain? Of course not. What about trade policy? We are now farming 35 million acres of fragile lands in the United States, much of which was brought about back in 1974 and 5 when the cattle prices were a disaster and soybeans went to 10 bucks. People got starved out of the livestock business. They plowed up grassland and planted corn and beans. Soil losses of 15 tons of topsoil per acre per year cannot be sustained. It will be a barren wasteland. The question: should we do anything about it?

My wife and I own a section of land in Minnesota. By the laws of our state, we are allowed to destroy that land. Yet there is another law, a higher calling. God's law says, "No, you and I are strangers and guests." We should behave like strangers and guests and laws should be written to recognize you and I are tenants here for one lifetime. We have an obligation and a responsibility to our family, to our country, and to God Almighty to leave this land and leave this country in better condition than we found it. And we need to adjust our attitudes and our values so that we act individually and in our own way and in our rights to enhance and strengthen the public interest. In my view, I am frightened by some of the tendencies to exploit the moment--to cut and run, take advantage of the situation today, at the expense of much more profound and fundamental sets of values and interests. In trade matters. I am under tremendous pressure to continue to expand the sales of grain overseas. My friends, at what price? We have to ask ourselves this because of 35 million acres of corn in the United States. For every ton of corn we ship abroad we send them two tons of top soil. Does it make sense? Of course not.

And so we have to look at the many things that go into this incredibly complicated but vitally important business called farming. Our burdens are many, yours and mine. Four years ago, I was in Rome. While there as an official of the United States attending an international food conference, I was granted an audience with Pope John Paul I. I'll never forget his words. In his last days in this world, His Holiness said to me in private that we in the United States have a very heavy burden because we have so very much to share. We do have a heavy burden. But I am convinced that with the vitality, the creativity and the commitment that you and your colleagues have shown, there are answers to be found in these matters. I urge you to continue the good work and God bless you. Goodbye.

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FURTHER INFESTATIONS OF KHAPRA BEETLE FOUND

WASHINGTON, Dec. 12--U.S. Department of Agriculture inspectors have found three more khapra beetle infestations in New Jersey and Maryland warehouses, bringing the total to 11 locations in the United States.

Scot Campbell, assistant deputy administrator for USDA's Animal and Plant Health Inspection Service, said that the khapra beetle--a pest which can infest and destroy great quantities of grain and other stored products--has now been found at Pier One Imports' main distribution warehouse, Glasboro, N.J.; Premium Bag, Baltimore, Md.; and an empty warehouse on a dock in the Baltimore harbor.

"Hold orders have been placed on all locations where the pest has been found to prevent the beetle from being transported to new locations," said Campbell. "We're working with business owners to make plans for eliminating the beetle from their warehouses."

According to Campbell, USDA and McCormick Spice Company officials have decided to fumigate the Baltimore facility Dec. 12. Six of the eleven locations have already been fumigated or treated to eliminate the pest, he said.

Campbell said, "All but one of the infestations has been associated with shipments of spices and the use of burlap bags. "He said USDA is tracing shipments of goods from infested locations in an effort to find all locations where khapra beetle may have spread.

"We had to carry out nearly 800 building fumigations in the 50's and 60's to eradicate this insidious stored product pest," said Campbell. "We're committed to hunting it down and eliminating it again, since we can't afford to live with it."

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USDA INCREASES PACA LICENSE FEES

WASHINGTON, Dec. 12--License fees for produce traders will be increased by \$15 per year beginning Jan. 1, a U.S. Department of Agriculture marketing official said today.

John J. Gardner said the new fee schedule will affect produce firms licensed under the Perishable Agricultural Commodities Act, which establishes a code of good business conduct for the produce industry.

Gardner said the increase is required because of increase operating costs. He said fees paid by licensees cover all costs of administering the program, and no tax funds are used. USDA's Agricultural Marketing Service administers the PACA program.

Under the new fee schedule, a firm required to be licensed under PACA would pay an annual fee of \$150 plus \$50 for every branch or location above nine, up to a maximum of \$1,000. The current fee is \$135 plus \$35 for every branch or location above nine, with the same \$1,000 maximum.

In administering the act, AMS provides a consultation service to help buyers and sellers of fruits and vegetables make sound contracts and prevent business disputes. The act also provides for payment of damages by anyone who fails to live up to contract obligations in buying and selling these products.

The law requires all commission merchants, brokers and dealers who buy, sell or handle fresh or frozen fruits or vegetables in iterstate or foreign commerce to be licensed.

The new fee schedule was proposed Nov. 10 in the Federal Register. Comments could be filed until Nov. 25, but no comments were received. Final notice of the fee increase was published in the Dec. 11 Federal Register.

U.S. Department of Agriculture • Office of Governmental and Public Affairs

ADDITIONAL 1981 UPLAND COTTON PROGRAM PROVISIONS ANNOUNCED

WASHINGTON, Dec. 15--Secretary of Agriculture Bob Bergland today announced that for the third year in a row, there will be no set-aside, voluntary diversion or normal crop acreage requirements under the upland cotton program.

Bergland said there is no need for acreage restrictions in 1981 because extremely poor growing conditions reduced 1980 production. The reduced 1980 crop, coupled with continued relatively strong demand for cotton, likely will result in a carryover next fall of around 2.6 million bales, he said. This compares with a 1980 carryover of 3 million bales and a 1979 carryover of 4 million bales, Bergland said.

Bergland said he encouraged farmers not to plant cotton on lands subject to excess erosion.

"USDA had proposed that cotton producers be required to plant within normal crop acreage established for their farms. Subsequent action by Congress ruled this out, opening the way for possible erosion problems if fragile lands are cropped," he said. "However, the Congressional action prohibits adding 1981 crop acreage increases to the normal crop acreage for subsequent years," Bergland said.

Even without restrictions, Bergland said, cotton acreage next year currently is expected to decline somewhat from 1980 because of the competition for cropland from other crops.

Bergland also announced a preliminary 1981-crop upland cotton national program acreage of 14,021,538 acres. The program acreage is an estimate of the number of acres needed to meet domestic needs, export demand and provide a desirable carryover. It may be revised later for purposes of determining the national allocation factor.

The allocation factor will be determined by dividing the final program acreage by the estimated national harvested acreage of the 1981 crop. This factor cannot exceed 100 percent. Farmers who plant no more upland cotton in 1981 than was planted and considered planted in 1980 will not be subject to the allocation factor, Bergland said.

Bergland also said the target price for the 1981 upland cotton crop will be announced next spring when final yield and production cost estimates become available for the 1980 crop--it is likely to be between 68.5 and 75.5 cents per pound. The 1980 target price is 58.4 cents.

The target price provides income protection to cotton farmers. If the national average price received by farmers for upland cotton during calendar year 1981 falls below the target price, cotton producers will receive a deficiency payment at a rate equal to the difference between the target price and the higher of such average market price or the 1981-crop loan rate of 52.46 cents.

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USDA CHANGES MEDITERRANEAN FRUIT FLY QUARANTINES IN CALIFORNIA

WASHINGTON, Dec. 16--Part of Alameda County, Calif., has been added to the area quarantined by the U.S. Department of Agriculture because of Mediterranean fruit fly infestations.

Harvey L. Ford, deputy administrator of USDA's Animal and Plant Health Inspection Service, said USDA was also deleting previous quarantines on Los Angeles County and changing the rules on the movement of regulated products.

"Quarantines on the movement of certain fruits and vegetables from an area around Fremont and Newark, Calif., in Alameda County, are necessary because of additional spread from infestations in adjacent parts of Santa Clara County," Ford said. "USDA and state officials have been fighting Medfly infestations in that part of the state since July."

However, Ford said, an infestation discovered about the same time in Los Angeles County has been eradicated, and the quarantine is now being lifted from that area.

Under the quarantine rules, regulated products may move out of the affected areas only after prescribed treatments--usually fumigation--by cooperating businesses or agencies in the state-federal eradication effort.

The action changes the rules for some of these regulated products. An approved fumigation treatment for bell peppers is prescribed; however, this treatment reduces the shelf life of the peppers to 5-to-7 days. Seven products are removed from the list of regulated itemscantaloupe, chayote, cucumber, eggplant, melon, pumpkin and watermelon.

As an additional measure, the Medfly regulations are being changed to include the scientific name, together with the common name, of all regulated products.

Comments on these actions, which were effective immediately upon publication in the Dec. 12 Federal Register, may be summitted until Feb. 10, for final review by USDA officials. Send comments to H. V. Autry, Regulatory Support Staff, Plant Protection and Quarantine,

APHIS, USDA, 6505 Belcrest Rd., Hyattsville, Md., 20782.

U.S. Department of Agriculture • Office of Governmental and Public Affairs

USDA BLOOD SURVEY TO TEST FOR PSEUDORABIES IN SWINE

WASHINGTON, Dec. 16--The U.S. Department of Agriculture is testing swine blood to determine how wide-spread pseudorabies is in this country, a USDA veterinarian said today.

"Blood samples are being collected at federally inspected slaughter plants throughout the country," said James Downard, chief staff veterinarian for swine diseases for USDA's Animal and Plant Health Inspection Service. "The samples will be tested for the presence of pseudorabies virus at the National Veterinary Services Laboratories in Ames, Iowa.

"The blood samples will be collected from both market and breeding animals," Downard said. The survey began Dec. 1 and will end Feb. 15.

Pseudorabies--also known as Aujeski's disease and "mad itch"--is a virus disease primarily affecting swine. Losses are highest in young pigs. It can also spread to cattle, sheep, dogs, cats and some wild animals, where it is almost always fatal.

Infected swine are believed to be the main reservoir of the disease, Downard said. It does not affect humans.

The survey results, in addition to establishing disease prevalence, will be used in estimating what the disease costs the swine industry. This information is vital to guide producers and state-federal animal health officials in formulating programs for the control and eradication of pseudorabies.

Data obtained from swine tested in this survey will be compared to similar information obtained in 1974 and during 1977-78. Data in 1974 set the prevalence rate at 0.56 percent while the 1977-78 data showed the rate to be 3.73 percent.

The blood samples now being tested for pseudorabies will also be tested for hog cholera, African swine fever, contagious bovine pluropneumonia and influenza, Downard said.

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SCREWWORM ERADICATION PROSPECTS LOOK GOOD

WASHINGTON, Dec. 16--Screwworms were eradicated from the southeastern United States in 1959, from Puerto Rico in 1976 and they may be eliminated soon from the southwestern United States. "There were only two cases of screwworms found in the United States this year," said James E. Novy, director of the U.S. Department of Agriculture's Screwworm Laboratory at Mission, Texas.

"This compares with 86 cases in 1979, 7,230 in 1978 and over 95,000 in 1972, the year with the highest number of reported cases," he said. "The two 1980 cases occurred in Texas in April and August. Both were 250 to 300 miles from the nearest known wild screwworm populations in Mexico."

Novy is a veterinarian with USDA's Animal and Plant Health Inspection Service.

Screwworm flies are native to the American tropics. In Mexico and until last year in the United States they migrate northward with warm weather in spring and summer.

"Larvae of this fly feed on live flesh in wounds of warmblooded animals," Novy said. "Odors produced by feeding larvae attract more flies, which lay additional eggs. Repeated infestations, if left untreated, have killed cattle within ten days."

In 1972, the United States and Mexico agreed to jointly eradicate the pest from all parts of the continent north of Mexico's narrowest point, the 125-mile-wide Isthmus of Tehuantepec.

"Most of northern Mexico is now free of screwworms," Novy said. "However, there is continued reporting of a large number of cases about 250 miles south of the lower Rio Grande valley.

"Fly traps are maintained along the Rio Grande to find any wild screwworm flies that approach the border, but primary reliance for detecting screwworms lies with sample submission of all screwworm larvae found in wounds in warm-blooded animals by ranchers, veterinarians and pet owners for laboratory identification," Novy said.

He said the basic method for eradicating screwworms are production and aerial release of millions of sterile male flies. "Since females of this species usually mate only once in their lifetimes, any eggs produced after a mating with a sterile male will not hatch," he said. "This breaks the life cycle."

Until late 1976, all sterile flies used in this eradication effort were produced in the APHIS Screwworm Plant at Mission. This facility is now producing about half its capacity--100 million sterile flies per week--and is sending all the sterile flies to Tampico, Mexico, for packaging and distribution in Mexico, he said.

The rest of the sterile flies are currently produced at a new facility near Tuxtla Gutierrez in southern Mexico, which can produce up to 500 million sterile flies per week.

"As the eradication program moves farther south in Mexico during winter and spring, we expect sterile fly production at Mission to end," Novy said. "Then all sterile fly production will be done in Mexico."

U.S. Department of Agriculture • Office of Governmental and Public Affairs

USDA ALLOWS EL SALVADOR'S MEAT SHIPMENTS TO ENTER U.S.

WASHINGTON, Dec. 17--The U.S. Department of Agriculture has again added El Salvador to the list of countries certified to ship meat products to the United States, according to Assistant Secretary of Agriculture Carol Tucker Foreman.

USDA's Food Safety and Quality Service withdrew approval from both of El Salvador's meat plants last March after U.S. inspectors found El Salvadorian beef shipments with excessive levels of pesticides at a port-of-entry, Foreman said.

Subsequently, FSQS received a plan from El Salvador's Ministry of Agriculture detailing that country's program for controlling residues in meat. "Changes El Salvador made in its meat inspection program will enable them to control harmful residues in the meat they ship here," Foreman said.

"The two El Salvadorian plants will now be reapproved to ship meat products to the U.S.," she said. "However, we will hold their meat at U.S. ports-of-entry and will increase onsite inspections in El Salvador while that country establishes a good history of compliance with our laws."

U.S. Department of Agriculture • Office of Governmental and Public Affairs

BERGLAND APPROVES \$20.4 MILLION BUDGET FOR COTTON RESEARCH AND PROMOTION

WASHINGTON, Dec. 18--Secretary of Agriculture Bob Bergland today approved a 1981 budget of \$20.4 million for a cotton research and promotion program.

This producer-funded program is authorized under the Cotton Research and Promotion Act and is administered by a 20-member Cotton Board appointed by the secretary of agriculture.

Research and promotion projects are designed to strengthen the competitive position of cotton and expand its uses. The projects are planned and carried out by Cotton Incorporated, a producer-governed organization under contract to the Cotton Board. Cotton Incorporated is headquartered in New York City and has research facilities in Raleigh, N.C.

The program is funded entirely by producer assessments averaging about \$2.40 per bale. Individual producers who do not wish to take part may obtain refunds of their assessments upon request to the Cotton Board.

- P.R. Smith, assistant secretary of agriculture for marketing and transportation services, said the program has provided the industry with many tools for competing with synthetic fabrics and recapturing cotton's share of the textile market. Contributions listed by Smith included:
- --Marketing of durable press cotton shirts and sheets, and development of additional new durable press products. The cotton industry had lost a considerable share of the market to synthetic fabrics with durable press capabilities.
- --Development of energy-efficient dying and finishing techniques for cotton.
- --Development and marketing of fire-retardant cotton fabrics for apparel and home furnishings.
- -- A new fiber processing line for non-woven cotton suitable for medical uses and personal care products.

--Marketing projects that encourage mill and manufacturers to use more cotton.

-- An effort to expand the export market for U.S. cotton.

The program has also funded intensive research on problems of byssinosis, a disabling Lung ailment that affects some workers after prolonged exposure to dust generated in handling and processing such natural fibers as cotton, flax and hemp. More than \$2 million has been allocated in 1981 for this research.

U.S. Department of Agriculture • Office of Governmental and Public Affairs

U.S.-CHINA TO INCREASE AGRICULTURAL RESEARCH AND EXCHANGES IN 1981

WASHINGTON, Dec. 18--The United States and China have agreed to a cooperative agricultural research and exchange program in 1981 that includes 24 scientific and technical exchanges, and the placement of 16 Chinese scientists in U.S. laboratories and 20 Chinese scholars at U.S. universities.

Quentin West, director of USDA's office of international cooperation and development, said his office will coordinate the scientific and technical exchanges and scholar programs with universities and USDA agencies.

"Benefits from previous exchanges are already beginning to emerge," West said. "The American Soybean Association is participating in the exchanges of research on soybean diseases and new germplasm. The growth of U.S.-Chinese agricultural trade and use of cotton breeding and grain handling team exchanges to upgrade this development point to the long-term benefits gained through technology sharing."

Both countries indicated that further exchanges between U.S. cooperators--nonprofit associations representing specific U.S. commodity interests--and Chinese counterpart organizations were desirable to develop a long term, stable trade relationship.

The two countries also agreed in principle to begin a cooperative research program on tree improvement, sediment control, and soil improvement during 1981. In addition, West said, "A proposal was submitted to establish a cooperative relationship between USDA's Beltsville Agricultural Research Center and the Institute of Pomology (study of fruit) in China."

The 1981 schedule of activities was worked out during the second session of the U.S.-Chinese working group on agricultural cooperation in science and technology neld here in early December. The session was co-chaired by U.S. Under Secretary of Agriculture Dale E. Hathaway and China's Vice Chairman of the State Agricultural Commission He Kang.

The third session of the U.S.-Chinese working group is scheduled to be held in Beijing in late 1981.

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USDA TO BUY GROUND BEEF WITH SOY FOR SCHOOL LUNCH PROGRAM

WASHINGTON, Dec. 18--The U. S. Department of Agriculture will buy frozen ground beef with soy protein added to test the product's acceptability for use in USDA's school lunch program.

Assistant Secretary of Agriculture Carol Tucker Foreman said, "If ground beef with soy added is acceptable for school lunches, it could lead to substantial savings for the program."

USDA is buying a mix of 80 percent ground beef and 20 percent hydrated soy. The purchase will be made with the same basic specification now being used in the regular ground beef purchase program.

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